



2018-2021 STRATEGY

Enhancing value through business integration and financial discipline

16 March 2018

Disclaimer

This document contains forward-looking statements regarding future events and the future results of Eni that are based on current expectations, estimates, forecasts, and projections about the industries in which Eni operates and the beliefs and assumptions of the management of Eni. In addition, Eni's management may make forward-looking statements orally to analysts, investors, representatives of the media and others. In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on capital, risk management and competition are forward looking in nature. Words such as 'expects', 'anticipates', 'targets', 'goals', 'projects', 'intends', 'plans', 'believes', 'seeks', 'estimates', variations of such words, and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and assumptions that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. Therefore, Eni's actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, those discussed in Eni's Annual Reports on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC") under the section entitled "Risk factors" and in other sections. These factors include but are not limited to:

Fluctuations in the prices of crude oil, natural gas, oil products and chemicals;

- Strong competition worldwide to supply energy to the industrial, commercial and residential energy markets;*
- Safety, security, environmental and other operational risks, and the costs and risks associated with the requirement to comply with related regulation, including regulation on GHG emissions;*
- Risks associated with the exploration and production of oil and natural gas, including the risk that exploration efforts may be unsuccessful and the operational risks associated with development projects;*
- Uncertainties in the estimates of natural gas reserves;*
- The time and expense required to develop reserves;*
- Material disruptions arising from political, social and economic instability, particularly in light of the areas in which Eni operates;*
- Risks associated with the trading environment, competition, and demand and supply dynamics in the natural gas market, including the impact under Eni take-or-pay long-term gas supply contracts;*
- Laws and regulations related to climate change;*
- Risks related to legal proceedings and compliance with anti-corruption legislation;*
- Risks arising from potential future acquisitions; and*
- Exposure to exchange rate, interest rate and credit risks.*

Any forward-looking statements made by or on behalf of Eni speak only as of the date they are made. Eni does not undertake to update forward-looking statements to reflect any changes in Eni's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any further disclosures Eni may make in documents it files with or furnishes to the SEC and Consob.



Eni's 2018-2021 Strategy Presentation



1

2014-17 COMPANY POSITIONED FOR A LOWER SCENARIO

2

2018-21 VALUE EXPANSION IN ALL BUSINESSES

3

DECARBONIZATION AND SUSTAINABILITY IN THE PLAN

4

FINANCIAL PLAN AND DISTRIBUTION POLICY

COMPANY POSITIONED FOR A LOWER SCENARIO



TRANSFORMATION
into a fully integrated O&G



UPSTREAM
enhancement



MID-DOWNSTREAM
restructuring

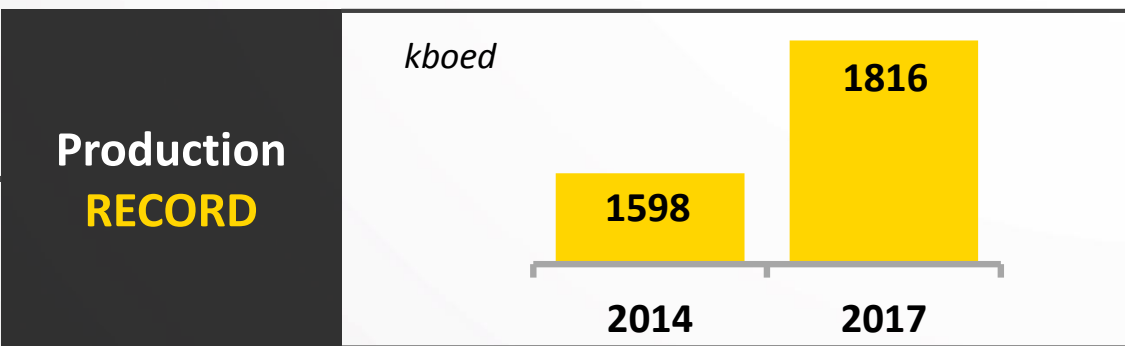
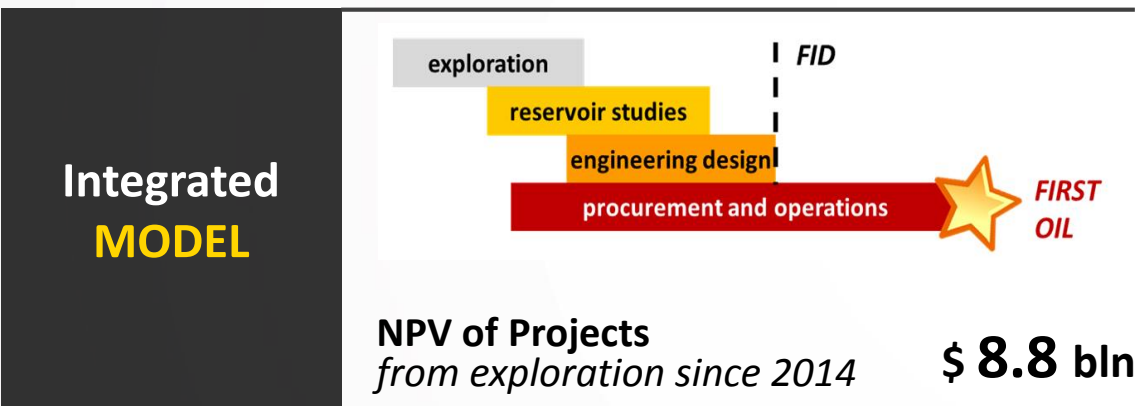


FINANCIAL
resilience

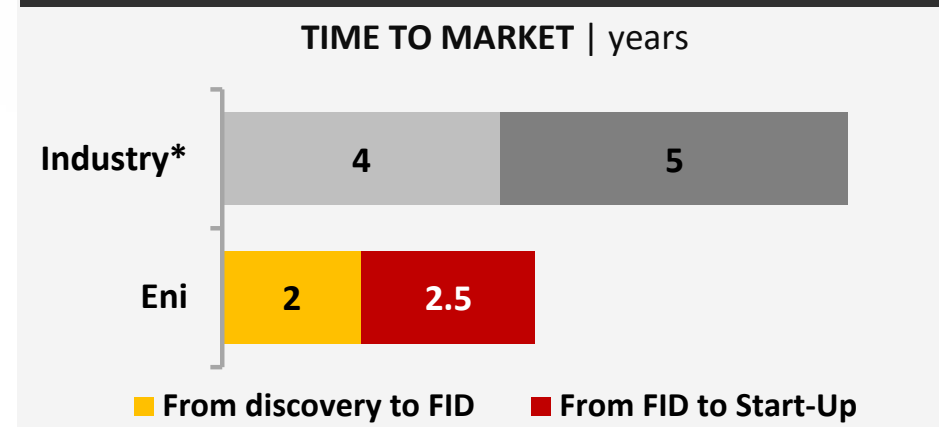


FIT to GROW

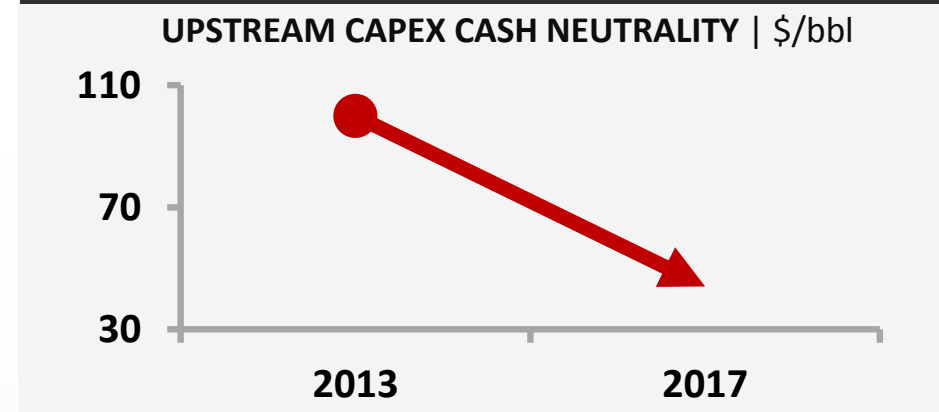
UPSTREAM enhancement



FASTER...



... MORE EFFICIENT

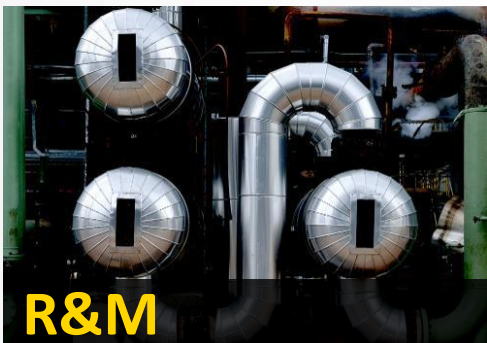


* Source: Woodmackenzie

MID-DOWNSTREAM restructuring



- Structurally underlying positive
- Long-term contracts alignment to market level
- Take or Pay recovery
- Cost reduction

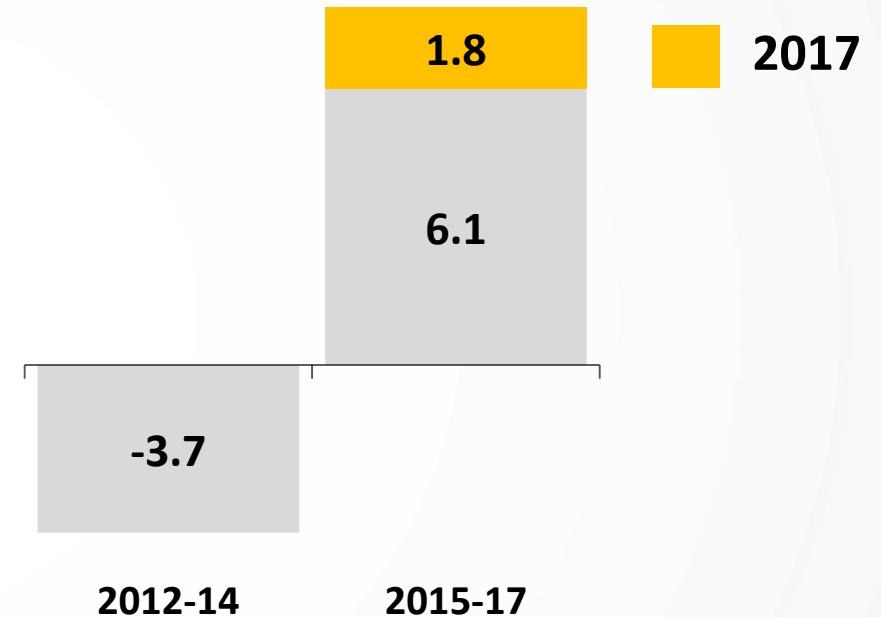


- Production efficiency
- Logistics rationalization
- 2 sites converted to bio- plants
- Halved refining breakeven



- Consolidation of industrial footprint
- Focus on differentiated products
- International development

Cumulative CFO | € bln



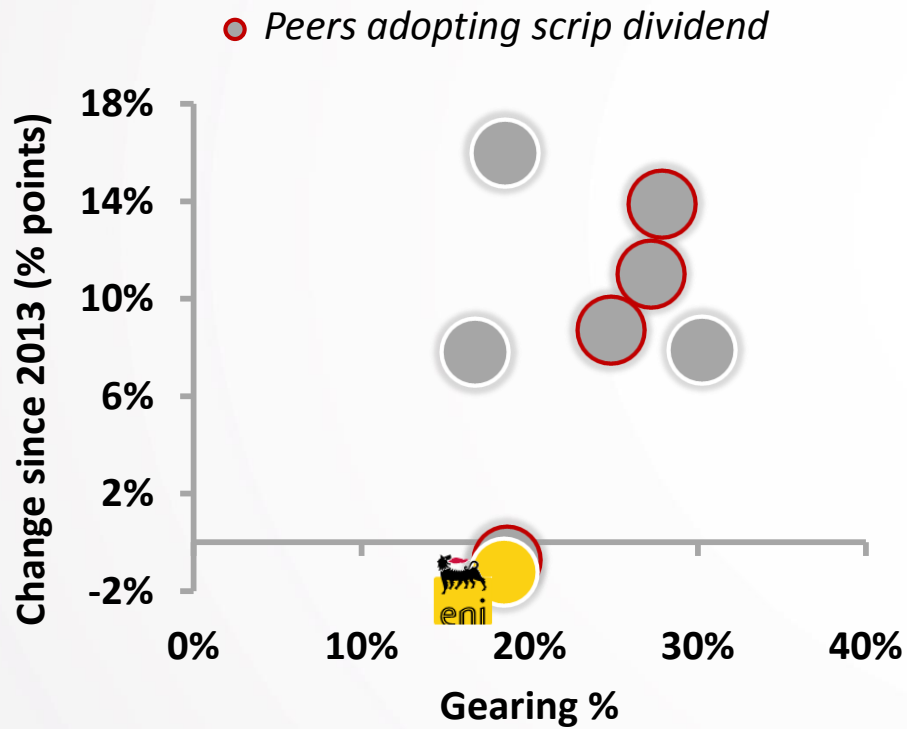
**Δ CFO 2015-2017
vs 2012-2014**

~€ 12 bln



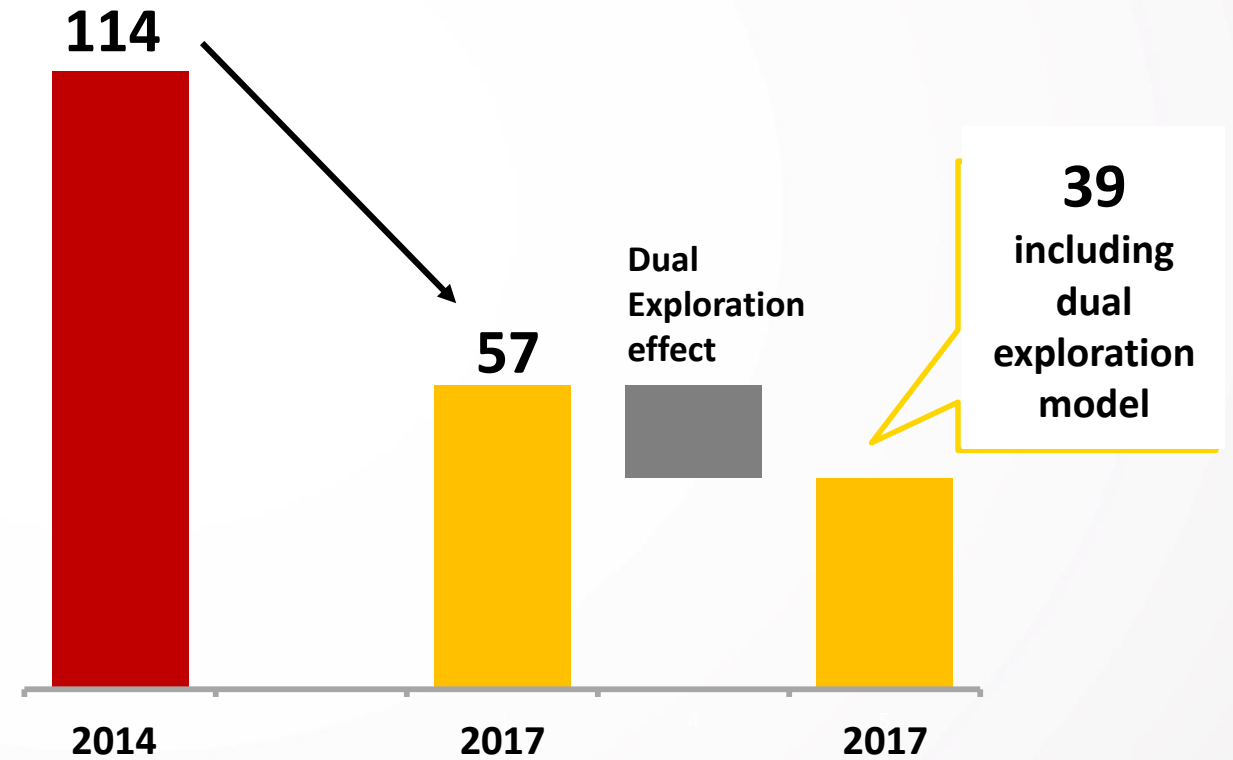
FINANCIAL discipline

GEARING



DIVIDEND CASH NEUTRALITY* | \$/bbl

WHILE PRESERVING BUSINESS GROWTH





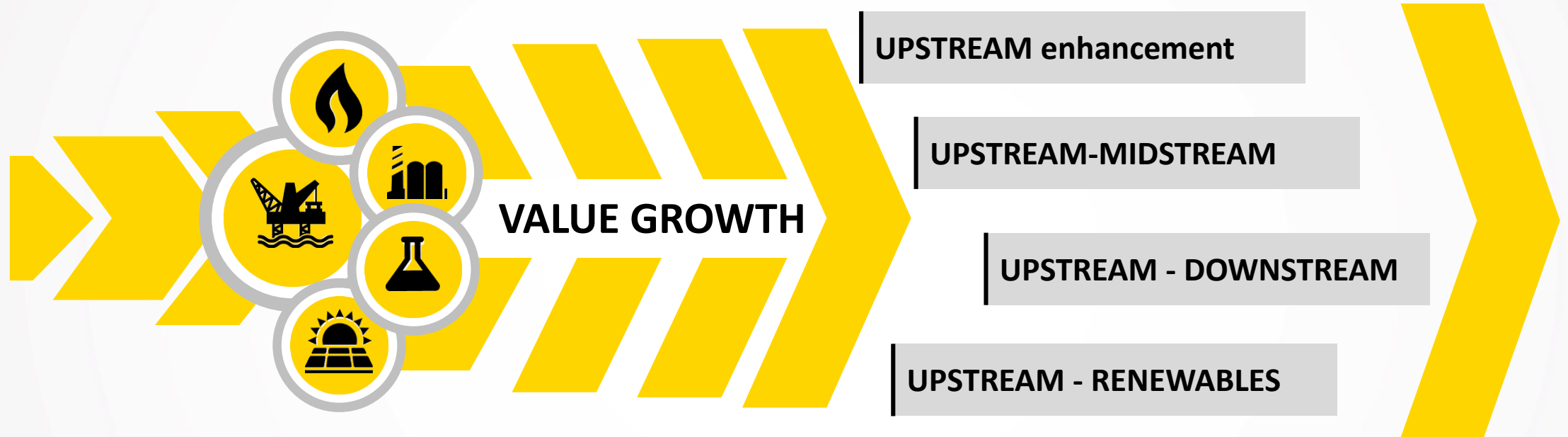
2018-21 VALUE EXPANSION IN ALL BUSINESSES

3 DECARBONIZATION AND SUSTAINABILITY IN THE PLAN

4 FINANCIAL PLAN AND DISTRIBUTION POLICY

Eni strategic evolution

BUSINESS INTEGRATION along the value chain



EFFICIENCY



FINANCIAL DISCIPLINE



DECARBONIZATION PATH
& GREEN ENERGIES



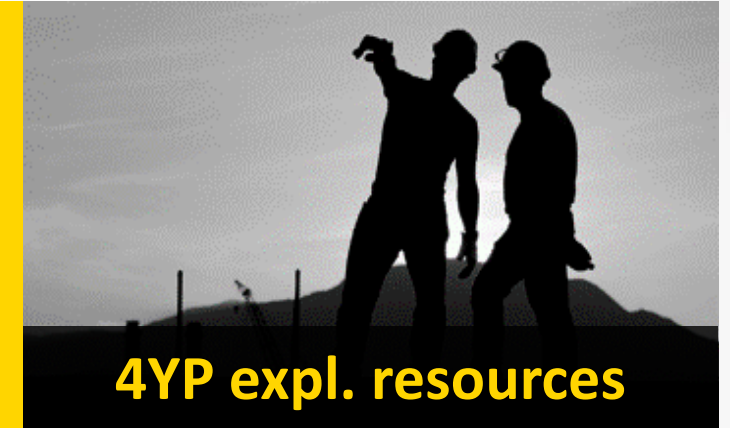
DIGITALIZATION &
INNOVATION

Upstream key targets in the 4YP



3.5%
organic

2 bln
boe



~40
\$/bbl

22
€ bln



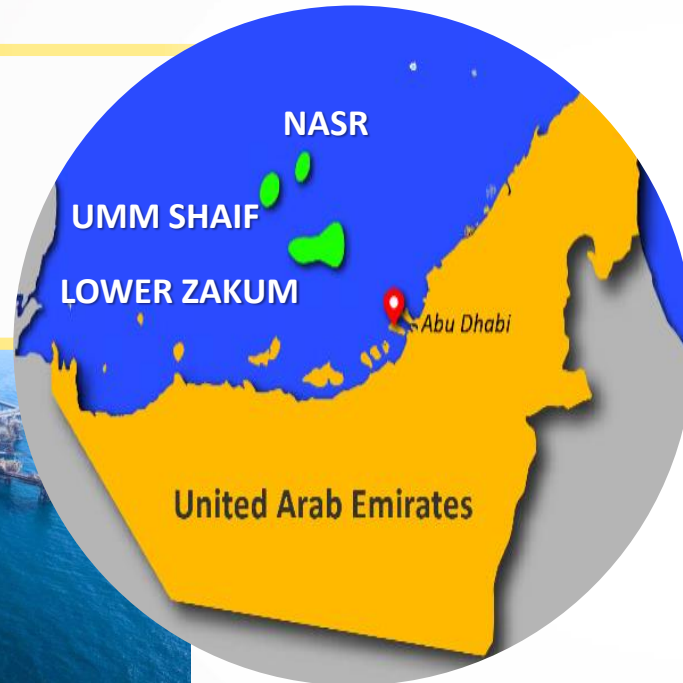
United Arab Emirates - Abu Dhabi deals

DIVERSIFYING OUR PORTFOLIO...

FARM-IN:

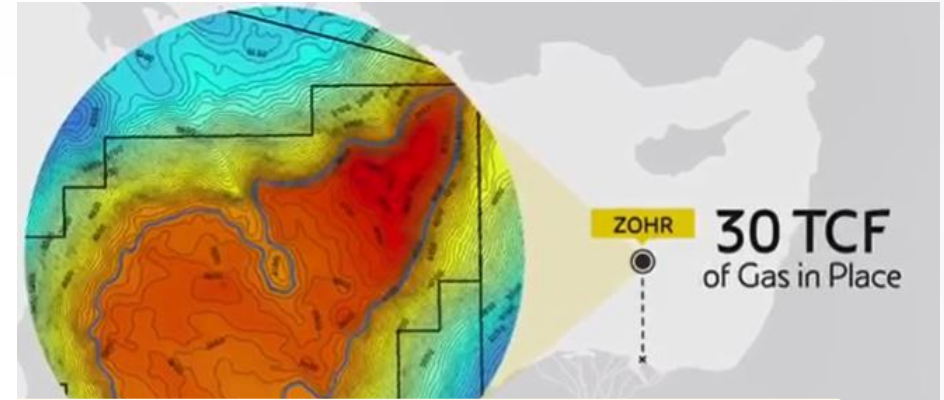
5% *Lower Zakum*

10% *Umm Shaif/Nasr*



**1 BLN BOE 3P/3C equity of which
>300 Mln Boe P1**

...STRENGTHENING ZOHR JV



FARM OUT 10% to Mubadala



ZOHR JV

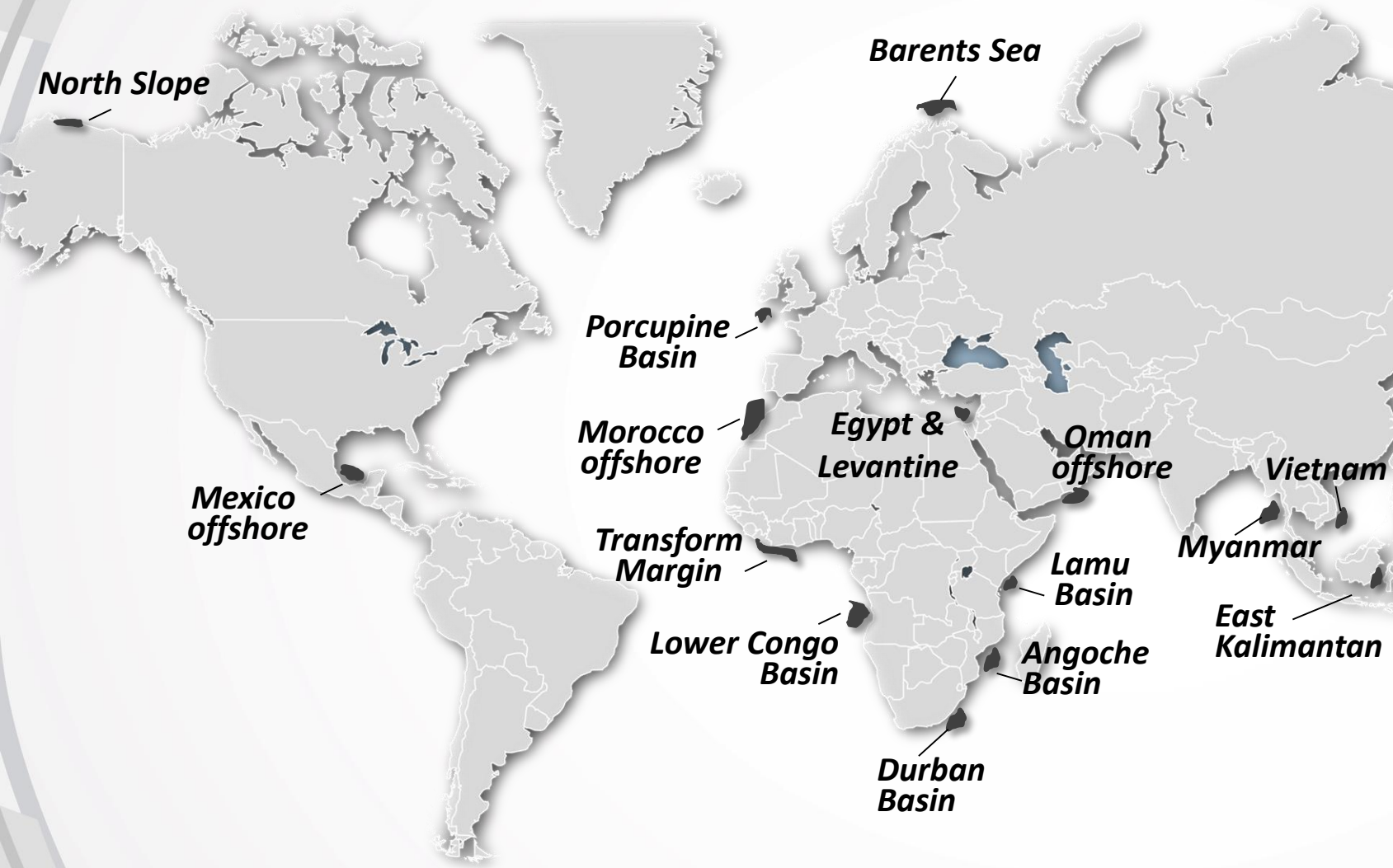
50% *Eni (operator)*

30% *Rosneft*


10% *BP*

10% *Mubadala*

A global range of exploration opportunities




Net Acreage




400,000
km² at YE 2017

Equity Risked Potential



10
bln boe

4YP Spending *



3.5
€ bln

* Including G&G costs

4YP EXPLORATION TARGET

2 BILLION BOE EQUITY

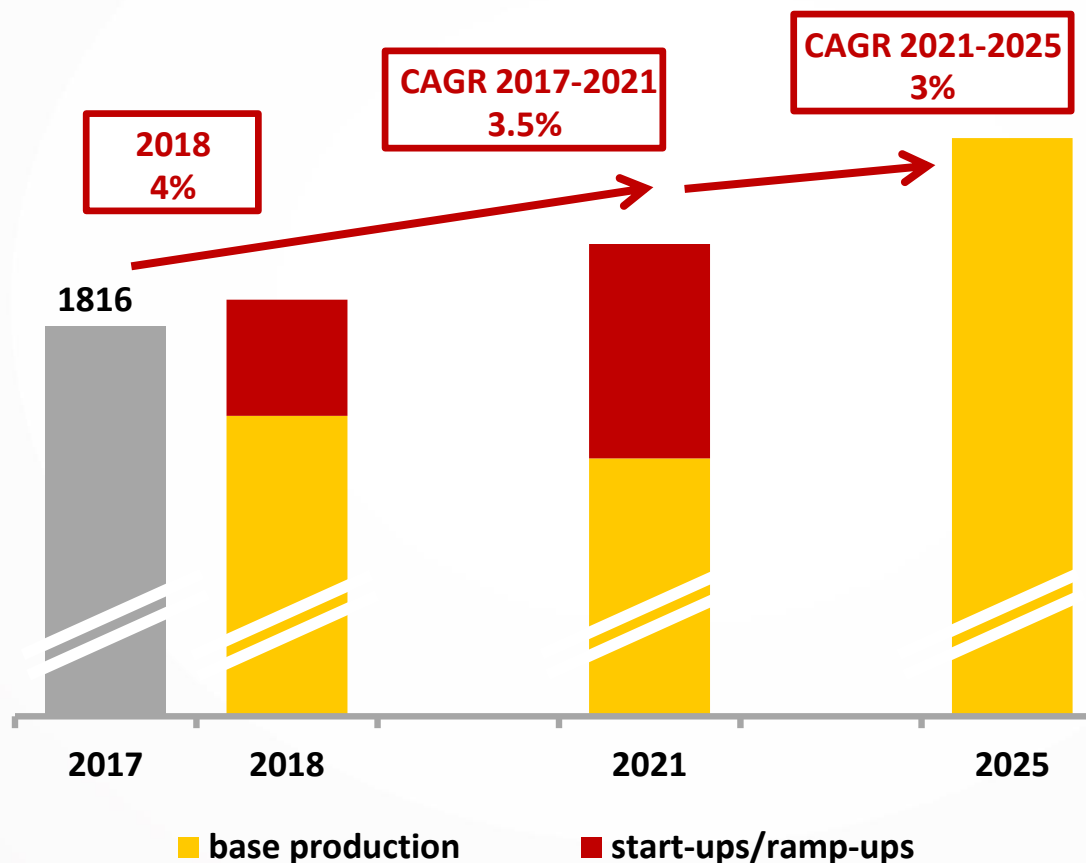


Ramp-ups and start-ups driving growth

MAIN ONSTREAM PROJECTS

- Zohr
- Jangkrik Complex
- Nidoco Ph. 2/3
- East Hub
- OCTP Oil
- Nenè Ph. 2A
- CAFC
- Abu Dhabi fields

OIL & GAS PRODUCTION | kboed



15 MAJOR START-UPS

2018

- OCTP Gas
- West Hub - Ochigufu
- Bahr Essalam Ph.2
- Wafa Compression

2019

- Area 1 Mexico
- Baltim SW (Barakish)
- West Hub - Vandumbu
- Trestakk

2020

- Nenè ph. 2B
- Smorbukk North
- Cassiopea
- KPC Debottlenecking
- BRN New Pipeline
- Merakes

2021

- Melehia deep Ph. 2



Key projects



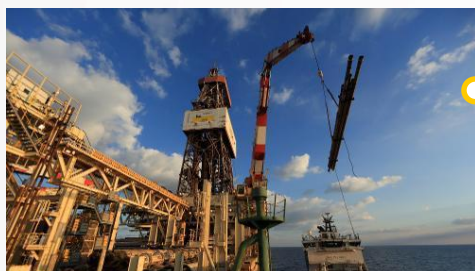
Zohr **50% WI**

2018: 185 kboed
Plateau: 545 kboed @2021



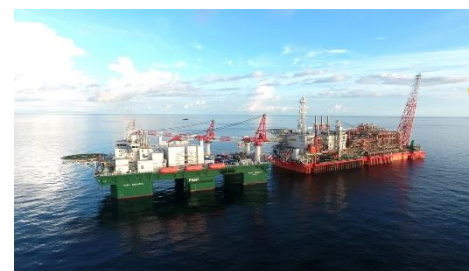
Mexico Area 1 **100% WI**

Start up: 1H 2019
Progress: under FID
Plateau: 90 kboed @2022



Great Nooros **75% WI**

2018: 210 kboed
Progress: ph.3: under FID
Plateau: 210 kboed @2018



Merakes **85% WI**

Start up: 2H 2020
Progress: under FID
Plateau: 70 kboed @2023



Nenè - Marine XII **65% WI**

2018: 35 kboed
Progress: ph. 2a: 82%
Plateau: 54 kboed @ 2021



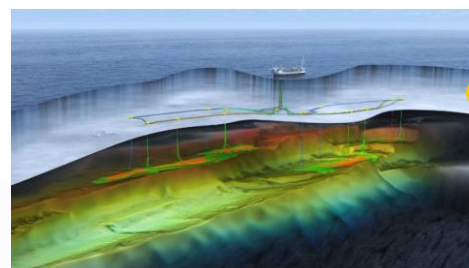
Coral **25% WI**

Start up: 1H 2022
Progress: 10%
Plateau: 100 kboed @ 2023



OCTP **44% WI**

Start up: 1H 2018 (gas)
Progress: 91 %
Plateau: 110 kboed @ 2020

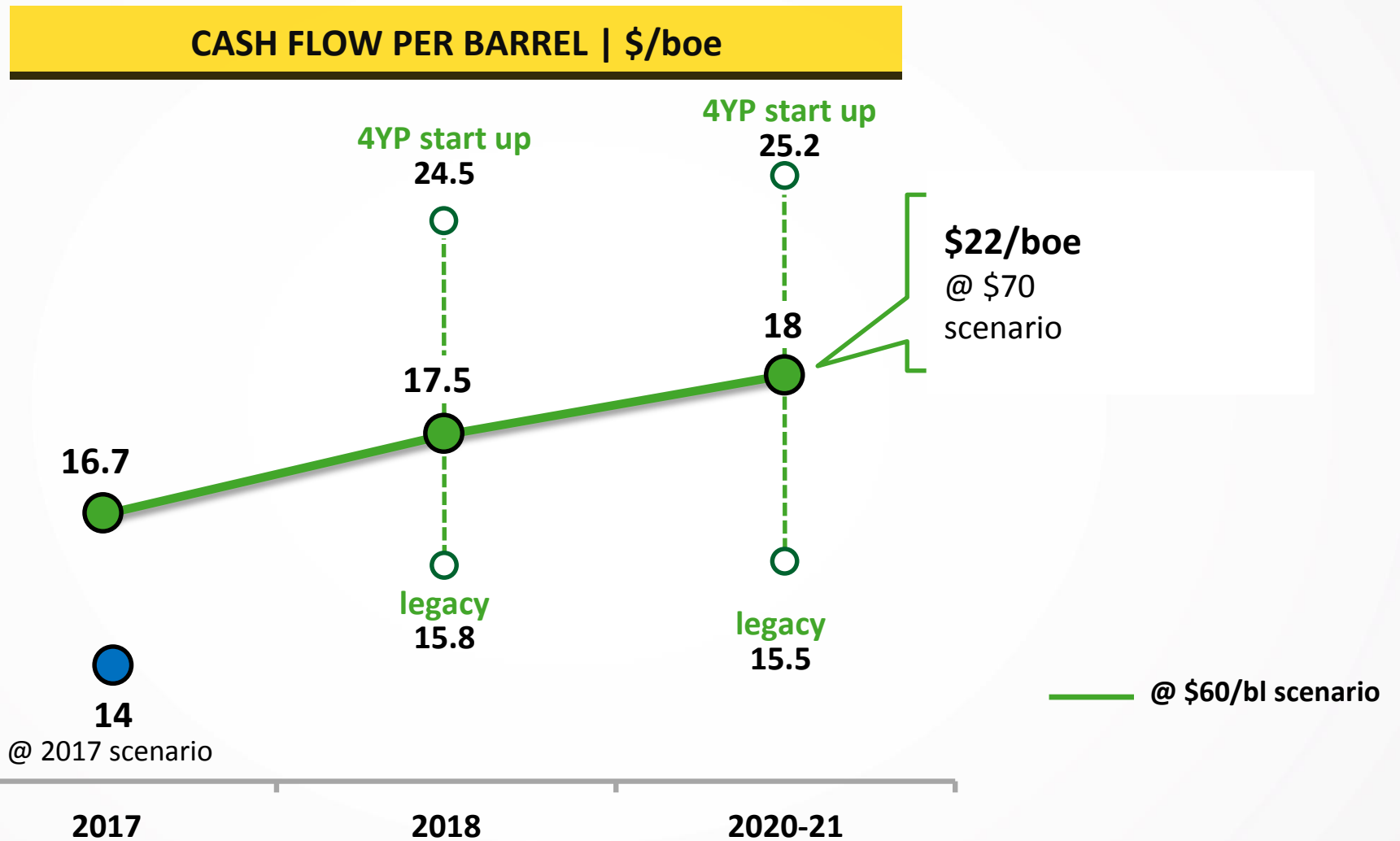


Johan Castberg **30% WI**

Start up: 2H 2022
Progress: <5%
Plateau: 205 kboed @2024

* All production levels reported in the slide are gross values (100%)

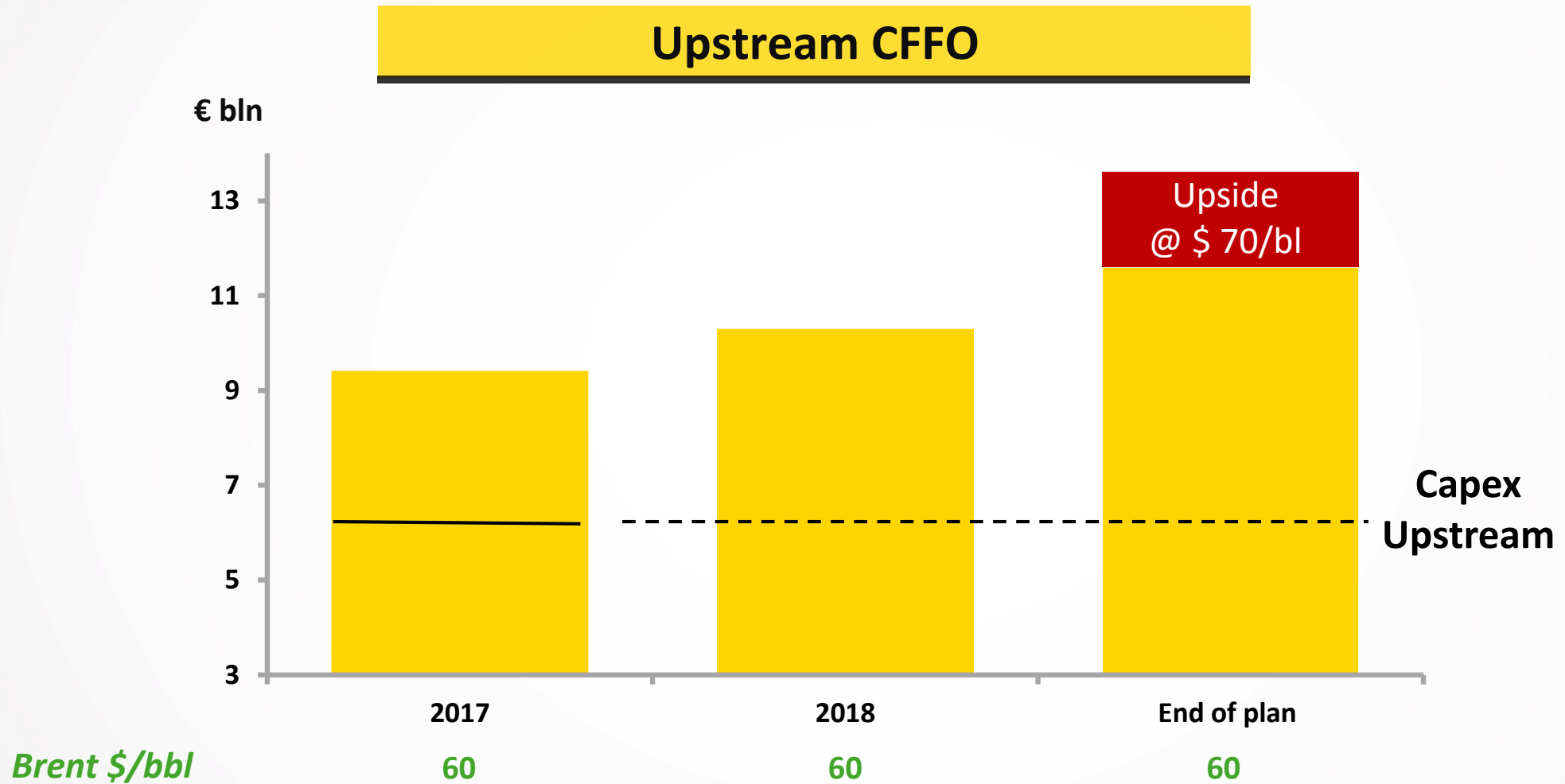
Value expansion of production growth



HIGH QUALITY LONG TERM CASH FLOW



The rise of upstream cash flow



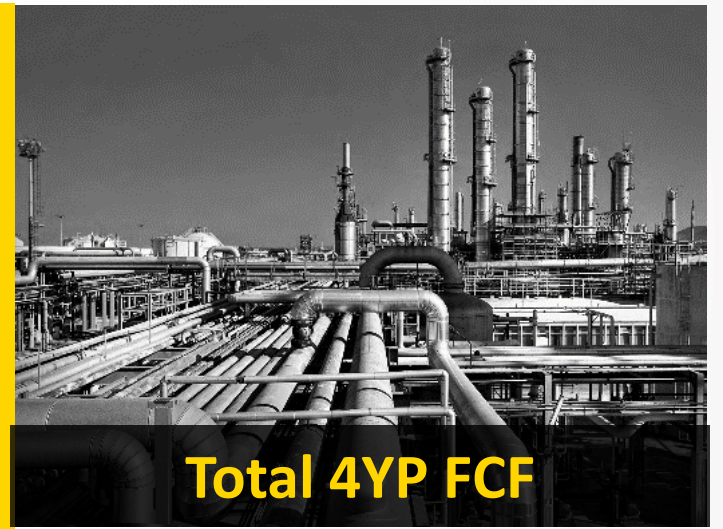
FULL COVERAGE OF DIVIDEND WITH UPSTREAM FCF

Mid-downstream key targets



2
€ bln

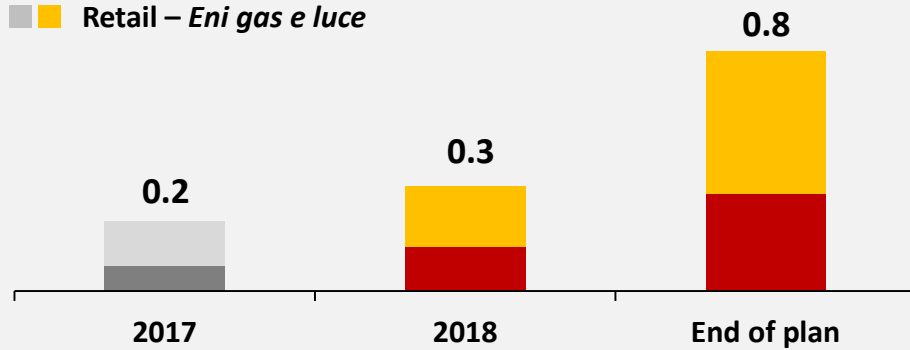
4.7
€ bln



Gas & Power - bigger and stronger

EBIT | € bln

■ Gas & LNG Marketing and Power
■ Retail – *Eni gas e luce*



FCF 2018-21

€ 2.4 bln

Gas & LNG Marketing and Power



- **Integration** with upstream
- Focus on **Asia and new markets**
- 2025 contracted volumes: **14 MTPA**
- **Redefining relationships** with key gas suppliers
- **Maximizing returns** from power assets in Italy

Retail



- **2021 clients: 11 mln** (+25% vs 2017)
- Focus on **high-growth customer-tailored services**

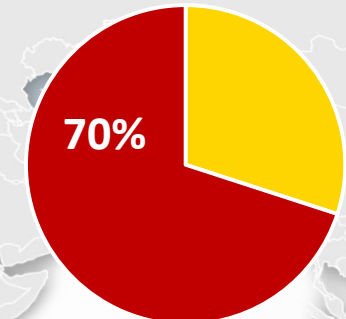
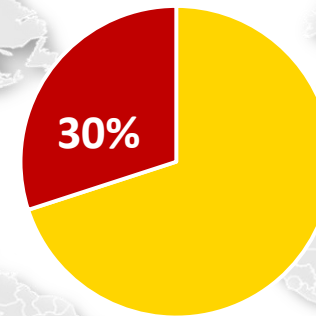
A top player in the LNG market



LNG SUPPLY - EQUITY VS THIRD PARTY

2017

2021



■ Equity ■ Third Party

LNG contracted volumes

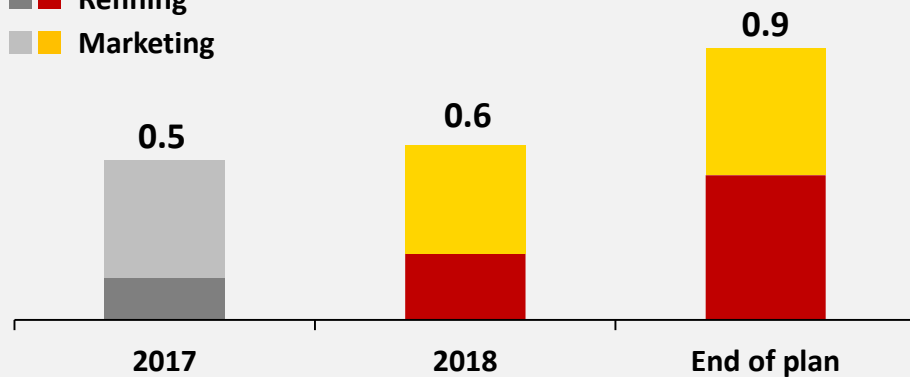
12 MTPA @ 2021



R&M – leaner and greener

EBIT | € bln

- Refining
- Marketing



FCF 2018-21

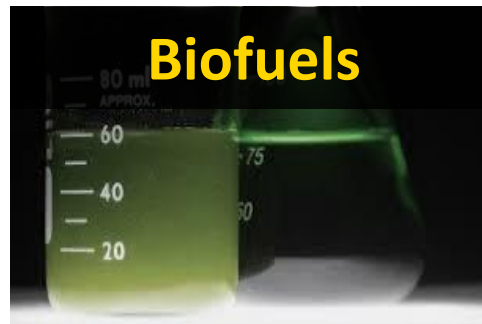
€ 2.1 bln

Refining



- Breakeven margin \$3/bbl end 2018
- Deep conversion **proprietary technology licensing**
- **Asset optimization**

Biofuels



- Venice and Gela plants onstream
- **Ecofining** proprietary technology
- 2021: **1 Mton/y green** production
- **Feedstock diversification** and “circular” economy

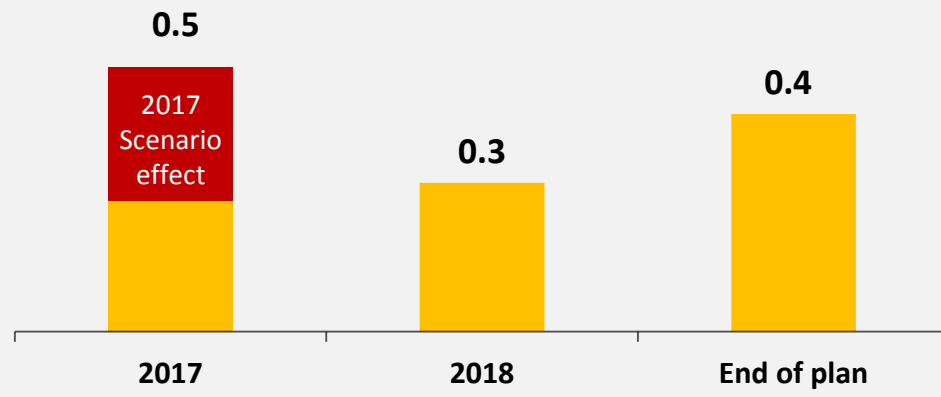
Marketing



- Focus on **wholesale**
- **Digital Transformation** and **Sustainable Mobility**
- **Stable retail market share**

Versalis – an international player

EBIT | € bln



FCF 2018-21

~ € 300 mln

Chemicals



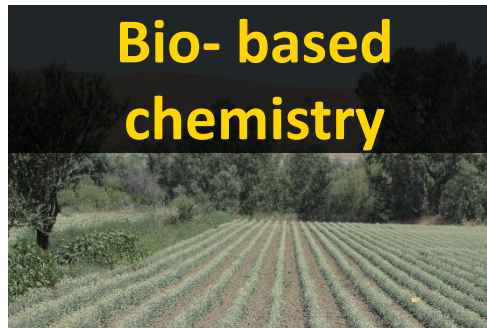
- **Consolidation** industrial footprint
- Strengthening **international presence**
- **Business integration**

Differentiated products



- **New products'** development
- Focus on **high margin products**
- **Acquisitions/partnerships** on new technologies

Bio-based chemistry



- **New industrial platforms** from renewable sources
- **"Circular economy"** projects

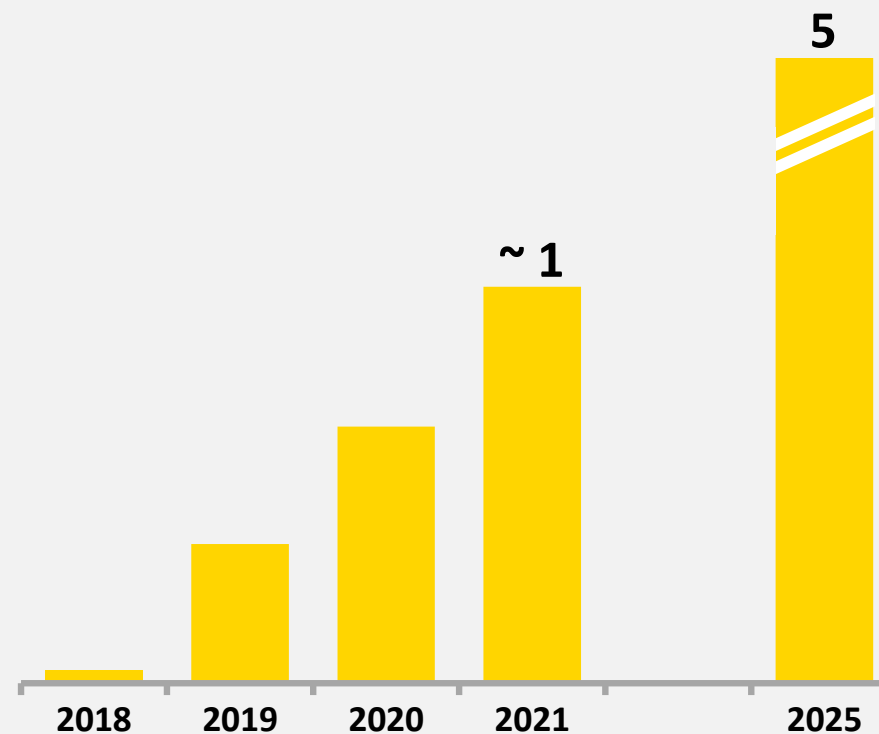
New energy solutions

AN INTEGRATED MODEL



- ✓ Synergies with Eni assets and activities
- ✓ International expansion in Eni Countries
- ✓ Solar, Wind and Hybrid Technologies
- ✓ R&D Deployment

Capacity end year | GWp



4YP CAPEX

€ 1.2 Bln

Digital transformation

2017

2021

BUILD ON OUR SUCCESSFUL DIGITAL HISTORY



INVESTMENT IN TECHNOLOGY



INTEGRATION WITH COMPETENCES

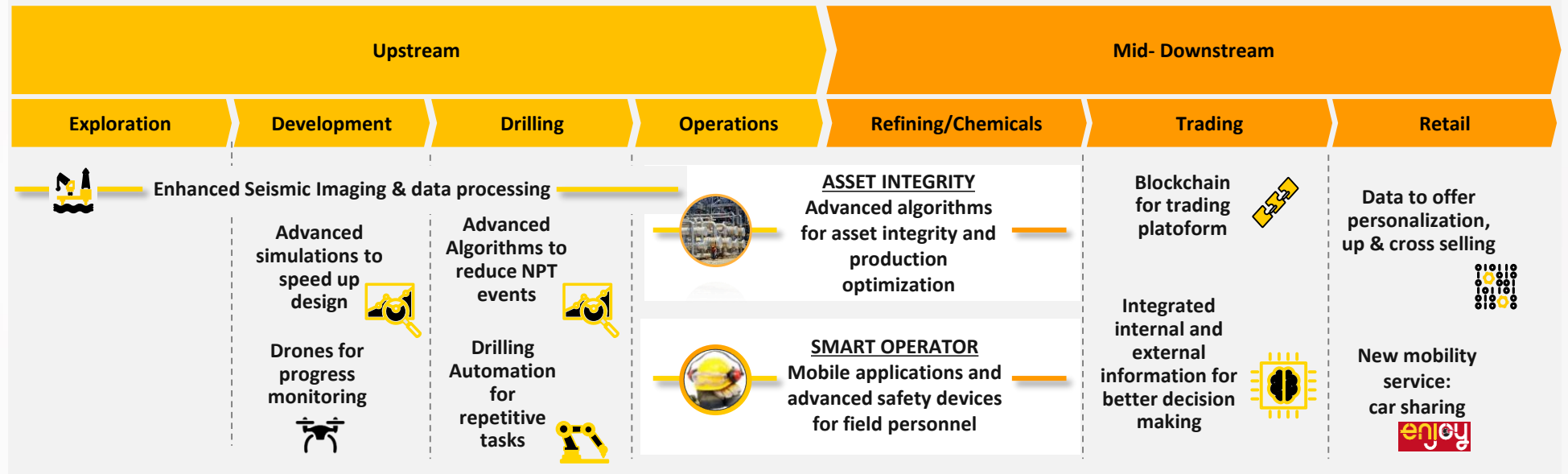


SUBSURFACE BIG DATA



PROPRIETARY ALGORITHMS (SINCE EARLY 2000'S)

DIGITAL ACCELERATION along our value chain



Green Data Center – HPC4

Top 10 World Supercomputer

150+

GLOBAL PROJECTS



eni

Digitalisation key targets 2018-2021

DIGITAL SOLUTIONS & ADV. ANALYTICS

100%

Operated Wells *

100%

Strategic Rotating
Machine *

100%

Top Value Assets *

PRODUCTION COST

- 7%

DRILLING ADV. ANALYTICS

-30%

NPT *

EXPLORATION PHASE

-15%



DECARBONIZATION AND SUSTAINABILITY IN THE PLAN

4

FINANCIAL PLAN AND DISTRIBUTION POLICY

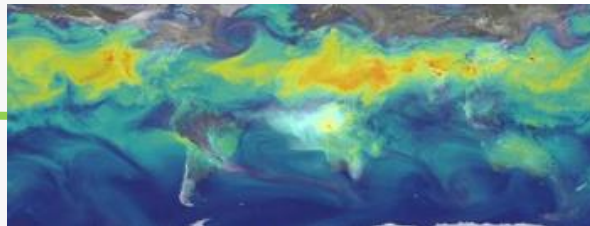
An effective path to decarbonization

2014-17

4YP 2018-2021

...2025

DECARBONIZATION PATH AND GREEN ENERGIES



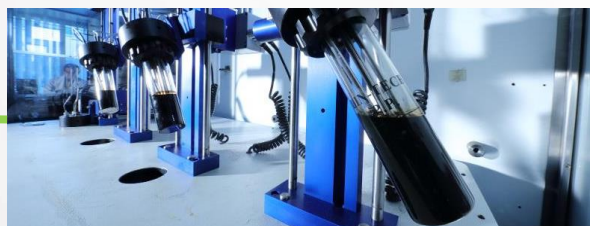
Carbon footprint reduction



Low carbon and resilient O&G portfolio



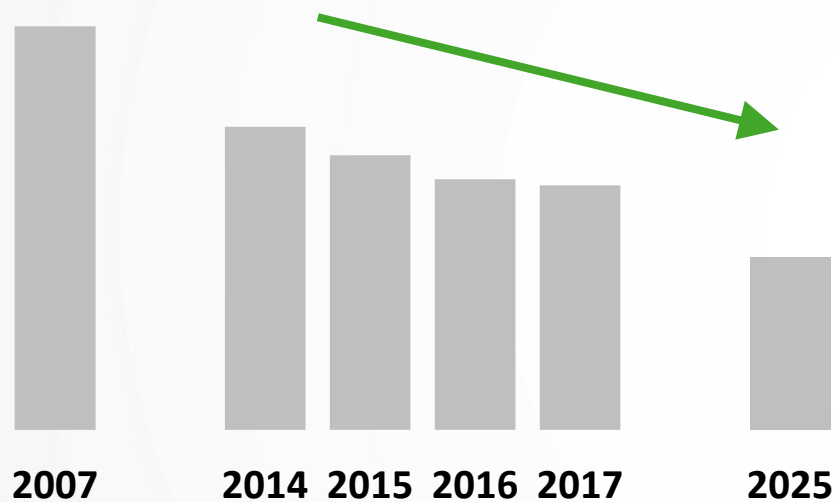
Green businesses



R&D

Carbon footprint reduction

Direct Emissions Upstream | tCO₂eq / toe



GROSS OPERATED
2018-2021 Capex

> € 550 Mln

TARGETS @ 2025

UPS UNITARY
DIRECT EMISSIONS

-43%
vs 2014

ROUTINE
GAS FLARING

zero

FUGITIVE
EMISSIONS | MtCH₄

-80%
vs 2014



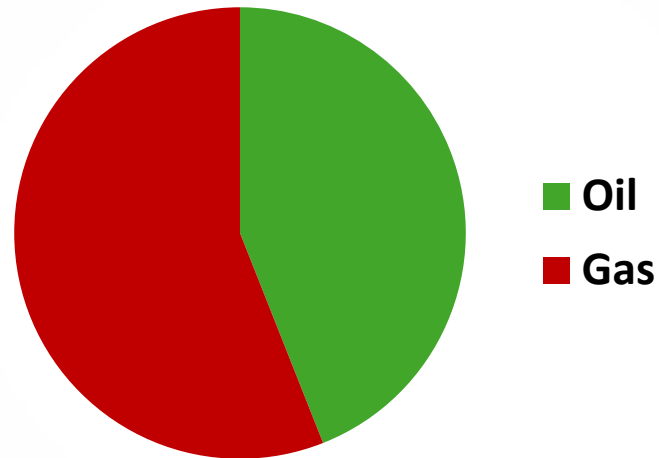
A low carbon and resilient O&G portfolio

Avg. breakeven
< \$30/bl



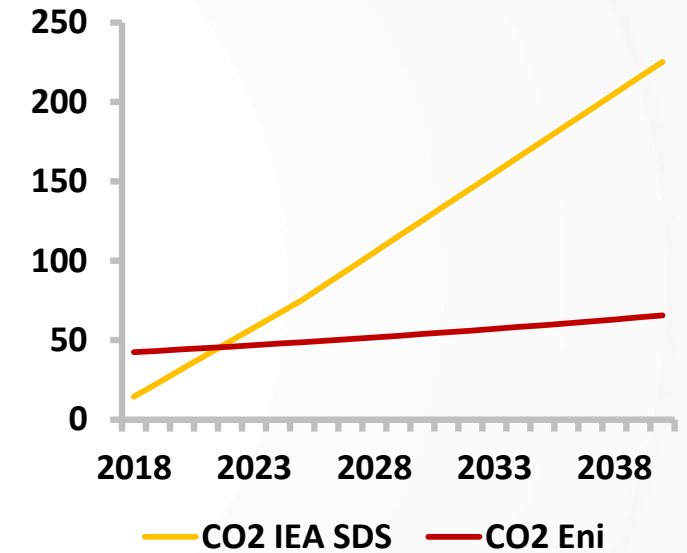
**NEW PROJECTS
RESILIENT EVEN IN LOW
SCENARIOS**

O&G resources | %



**PORTFOLIO FOCUSED ON
CONVENTIONAL RESOURCES**

CO2 scenarios | \$/ton



**PROJECTS
ROBUST EVEN AT IEA SDS***

Our green businesses

BIO-FUELS

VENEZIA - 2nd fase – ongoing

- Green capacity up to 560 kton/y (from 2021)

2018: GELA green - refinery completion

- Green capacity up to 720 kton/y

BIOBASED-CHEMICALS

- P. Torres:** JV  integrated chemical complex from renewable

Total capacity bio-intermediates: 70 kton/y

- P. Marghera:** innovative technology Vegetable Oils Metathesis
- Natural tyres from guayule:** Partnership with **BRIDGESTONE** for research and technology development on guayule

NEW ENERGY

Progetto Italia

- Installed capacity by 2021: 220 MW
- Production capacity up to 0.4 TWh/y (from 2022)

Africa & Asia (development of Solar PV, Wind and Hybrid projects)

- Total installed capacity by 2021: 0.7 GW
- Production capacity up to 2.5 TWh/y (from 2023)

4YP Total investment

> € 1.8 BLN

4YP Total CO₂ saving*

28 Mton

* Includes direct and indirect emissions



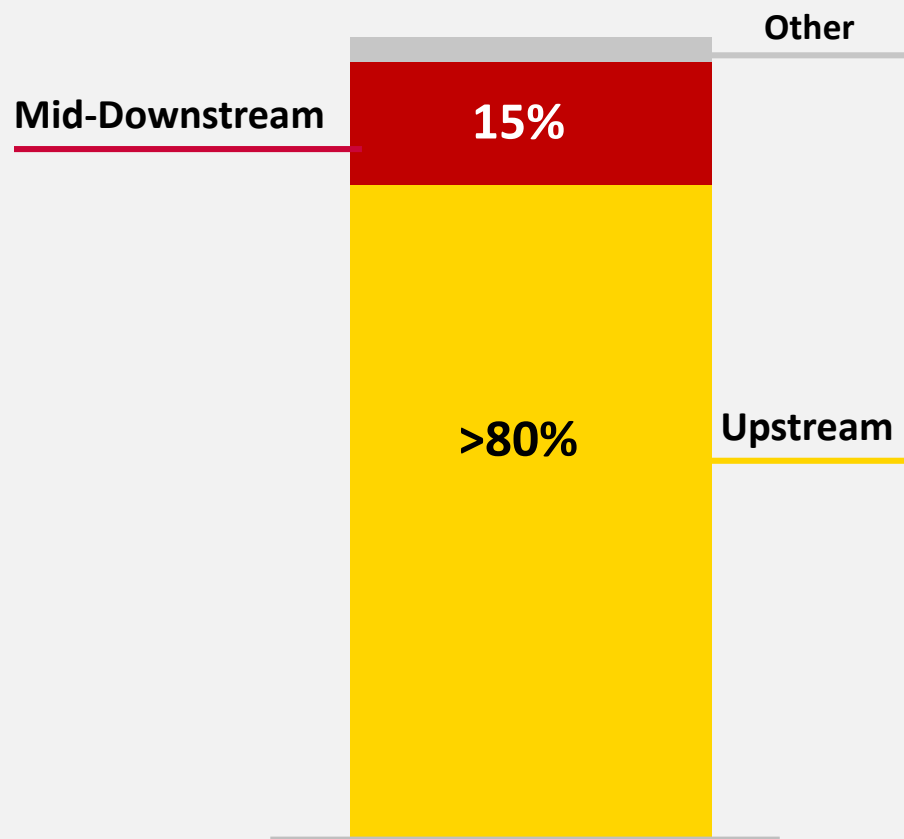
FINANCIAL PLAN AND DISTRIBUTION POLICY

Core financial values

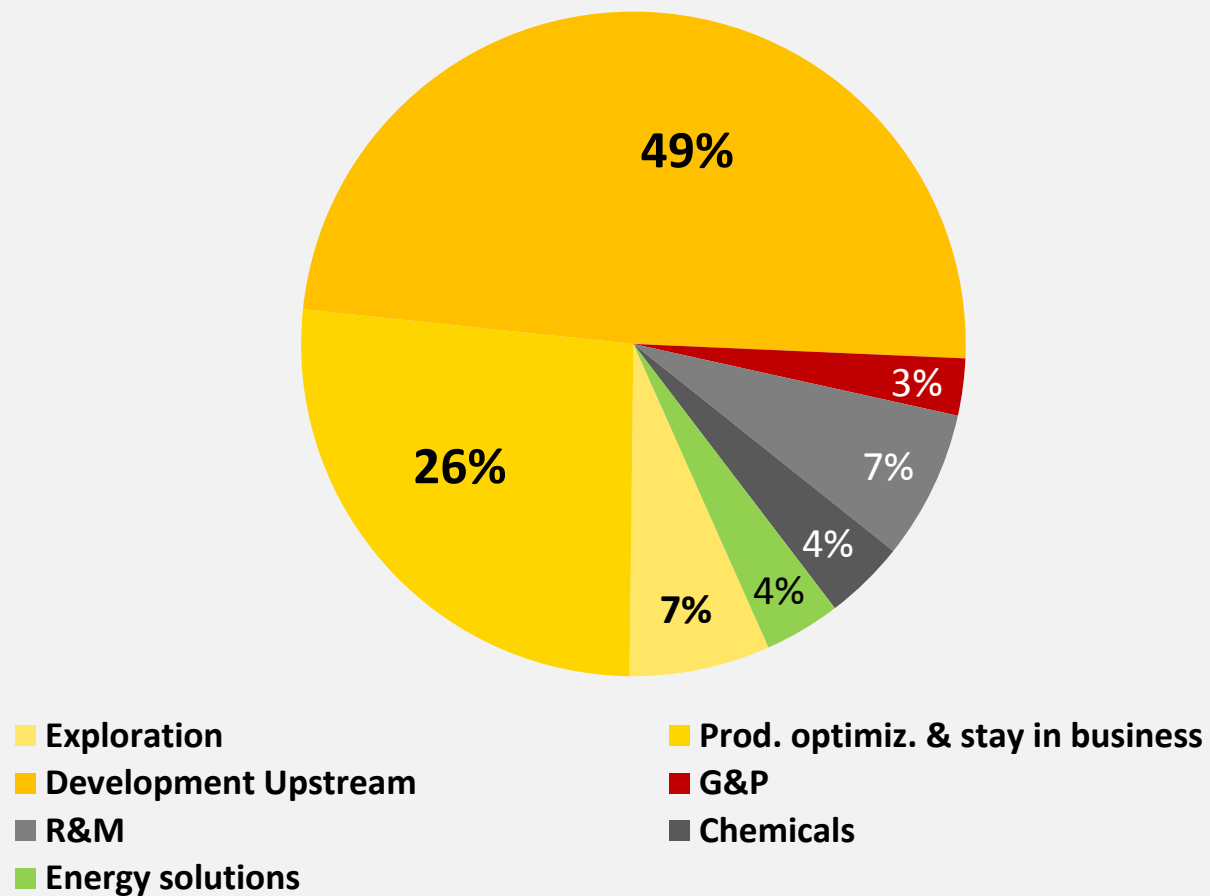


CAPEX Plan

2018 capex: ~ € 7.7 bln

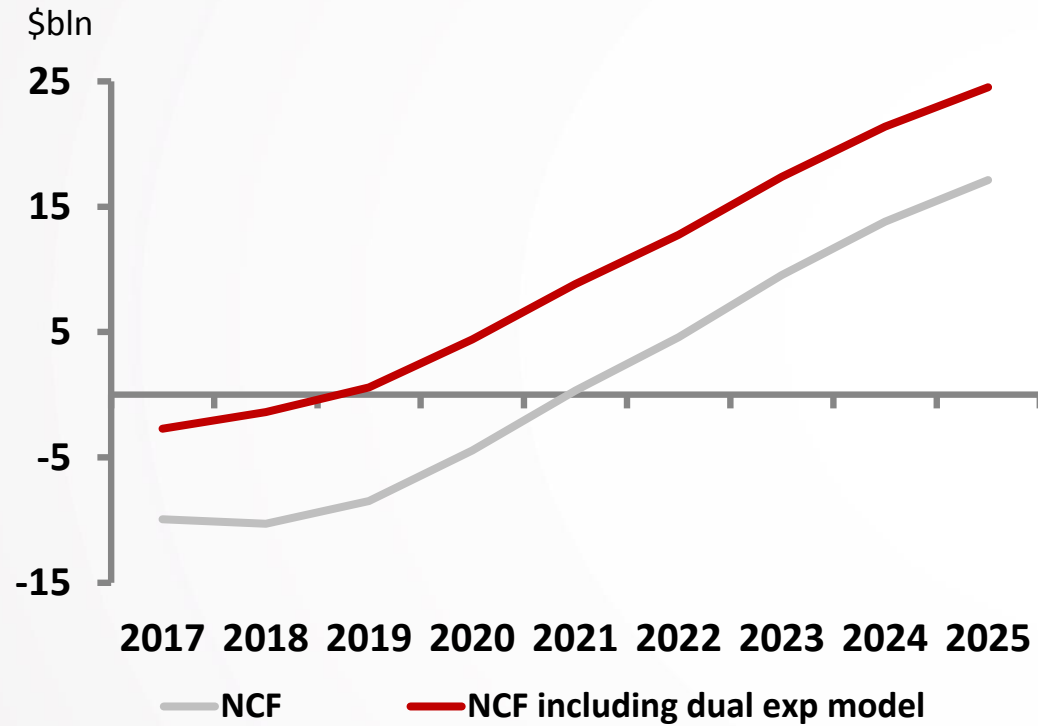


2018-2021 capex: < € 32 bln



Upstream: focus on projects under development

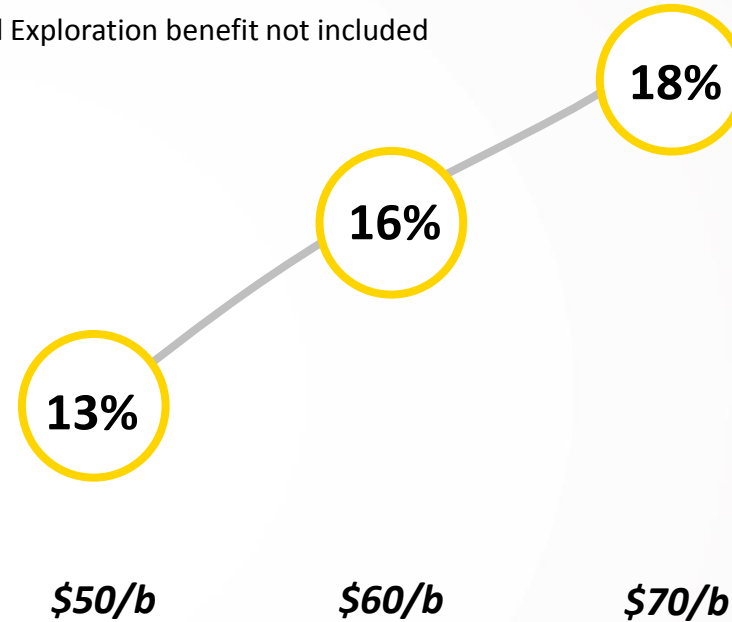
Cumulative Net Cash flow



Anticipated payback

IRR

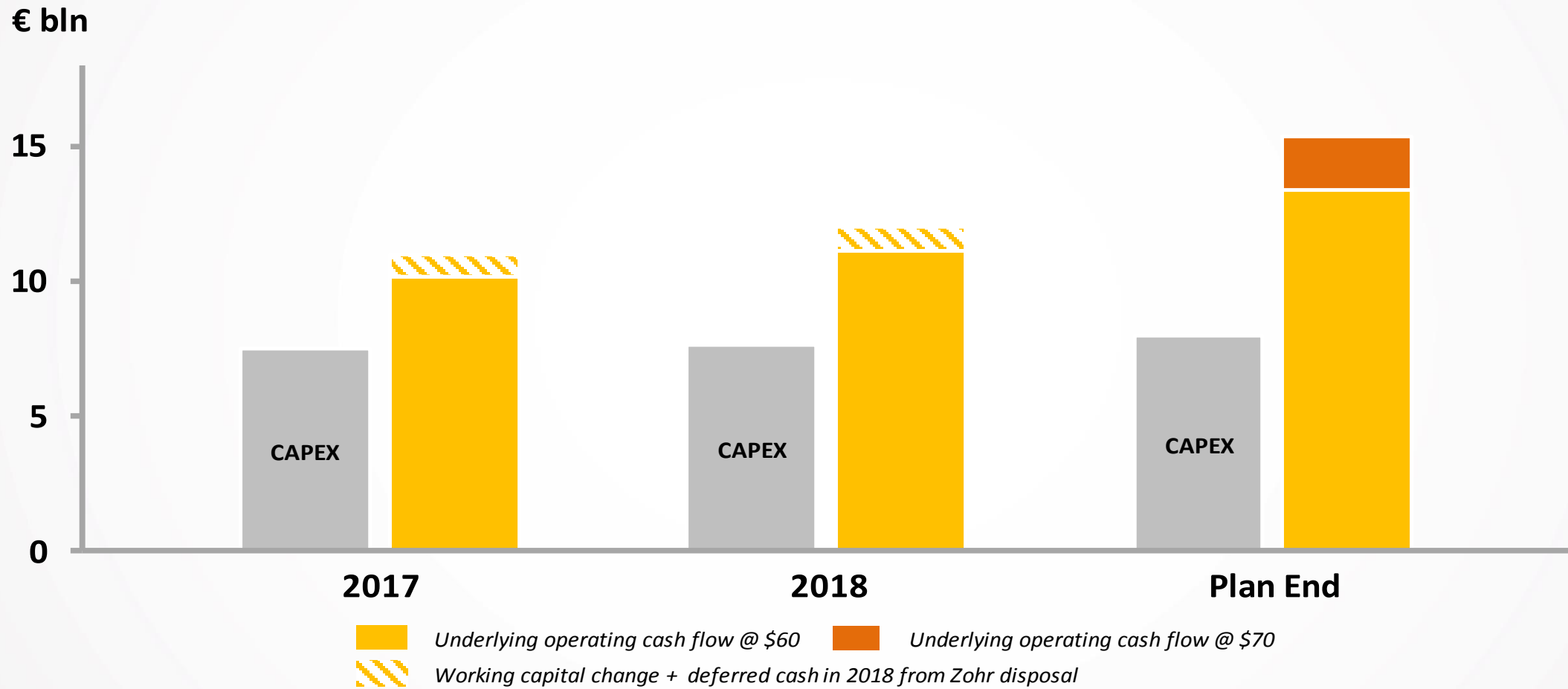
Dual Exploration benefit not included



BREAKEVEN

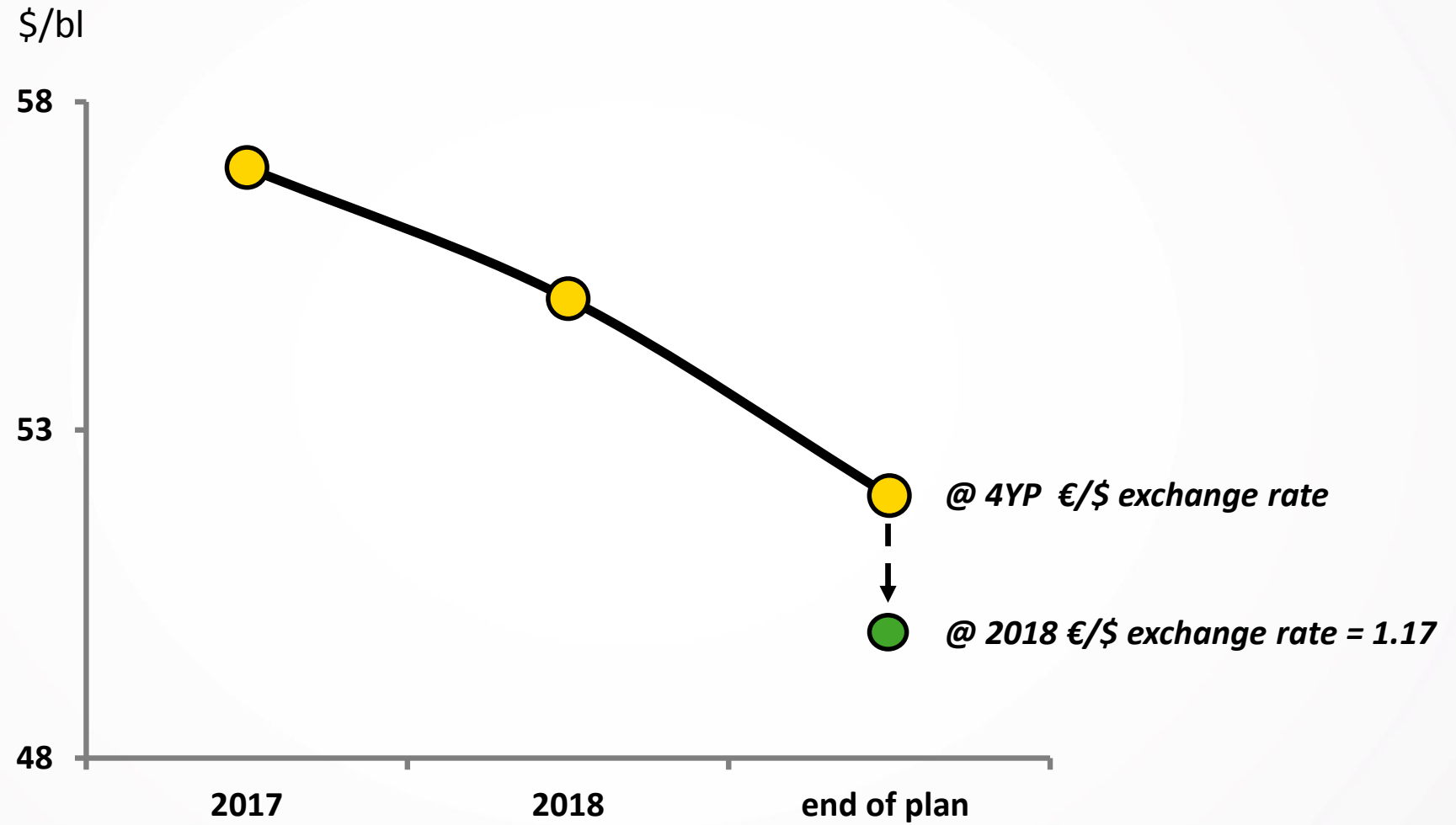
< \$30/bbl

Cash flow growth



Data @ 1.17 €/€ exchange rate

Reducing cash neutrality



Enhancing our 2017-2020 targets



Business

	2017-2020 <i>today</i>	2017-2020 <i>previous plan</i>
Exploration discoveries	2.6 bln boe	2-3 bln boe
Production CAGR	>3%	3%
LNG sales by 2025	14 MTPA	10 MTPA
New projects breakeven	< \$ 30/bbl	\$ 30/bbl



Financials

Mid-Downstream CFFO	€ 8.3 bln	€ 7.9 bln
Capex	€ 31.6 bln	€ 31.4 bln
Organic free cash flow	€ 17.4 bln	€ 14.9 bln
Disposals	€ 5.5 bln	€ 5-7 bln

All figures at the same scenario

Remuneration policy and cash allocation

Committed to

DIVIDEND POLICY PROGRESSIVE WITH
UNDERLYING EARNINGS AND **FCF**

€ 0.83 in 2018

+ 3.75 % vs 2017

Preserving

BALANCE SHEET
STRENGTH

Leverage target

0.2 – 0.25

Upside

SHARE
BUY BACK

**Excess cash
distribution**

Conclusions

DEEPER INTEGRATION

CAPITAL DISCIPLINE

High margin growth
in **Upstream**

Sizeable and
competitive **LNG**

**Sustainable
portfolio**

**Mid-downstream
upgrade**



ENHANCED RETURN TO SHAREHOLDERS





Back up



Assumptions and sensitivity

<u>4YP Scenario</u>	2018	2019	2020	2021
Brent dated (\$/bl)	60	65	70	72
FX avg (\$/€)	1.17	1.18	1.20	1.25
Std. Eni Refining Margin (\$/bl)	5.0	5.0	5.0	5.0
NBP (\$/mmbtu)	5.8	5.6	5.5	5.8
PSV (€/kmc)	188	178	171	175

<u>Sensitivity*</u>	EBIT adj (€ mln)	net adj (€ mln)	FCF (€ mln)
Brent (-1 \$/bl)	-310	-175	-205
Std. Eni Refining Margin (-1 \$/bl)	-160	-115	-160
Exchange rate \$/€ (+0.05 \$/€)	-310	-120	-200

* sensitivity 2018. Sensitivity is applicable for limited variations of prices

Main start-ups in the 4YP

Main start ups 2018-2021	Country	Op	Start-up	Equity peak in 4 YP	Working Interest	Liquids/Gas
				kboed		
Zohr	Egypt	yes	<i>Achieved 12/2017</i>	200	50%	Gas
West Hub (Ochigufu)	Angola	yes	<i>Achieved 03/2018</i>	<10	37%	Liquids
Wafa Compression	Libya	yes	1H18	25	50%	Liquids/Gas
OCTP Oil+Gas	Ghana	yes	<i>Oil: 5/17 Gas:1H18</i>	49	44%	Liquids/Gas
Bahr Essalam Ph. 2	Libya	yes	1H18	45	50%	Liquids/Gas
Mexico Area 1	Mexico	yes	1H19	60	100%	Liquids
Baltim SW (Barakish)	Egypt	yes	2H19	29	50%	Liquids/Gas
West Hub (Vandumbu)	Angola	yes	2H19	<10	37%	Liquids
Merakes (Jangkrik area)	Indonesia	yes	2H20	50	85%	Gas
Cassiopea	Italy	yes	2H20	16	60%	Gas
Nenè phase 2B	Congo	yes	2H20	14	65%	Liquids
Melehia deep phase 2	Egypt	yes	2H21	<10	100%	Liquids/Gas

Reference TCFD dashboard

Recommendation	ANNUAL REPORT	SUSTAINABILITY REPORT
<p align="center"><u>GOVERNANCE</u></p> <p>Disclose the organization’s governance around climate-related risks and opportunities.</p>	<p align="center">✓</p> <p align="center">Key elements</p>	<p align="center">✓</p> <p align="center">Disclosure</p>
<p align="center"><u>STRATEGY</u></p> <p>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.</p>	<p align="center">✓</p> <p align="center">Key elements</p>	<p align="center">✓</p> <p align="center">Disclosure</p>
<p align="center"><u>RISK MANAGEMENT</u></p> <p>Disclose how the organization identifies, assesses, and manages climate-related risks.</p>	<p align="center">✓</p> <p align="center">Key elements</p>	<p align="center">✓</p> <p align="center">Disclosure</p>
<p align="center"><u>METRICS & TARGETS</u></p> <p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p align="center">✓</p> <p align="center">Key elements</p>	<p align="center">✓</p> <p align="center">Disclosure</p>